

## THE EFFECT OF LP AND CS ON COMPANY VALUE WITH CSR AS A MODERATING VARIABLE IN PROPERTY AND REAL ESTATE COMPANIES

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### Abstract

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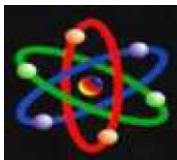
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One of the prospective investment facilities is property and real estate so that investors are interested in investing their funds in these businesses. The limited supply of land and buildings as the population increases and demand increases, land and real estate prices rise every year thereby increasing the welfare of shareholders by increasing the value of the company. However, the increase is inversely proportional to the value of the company. The purpose of this research is to see profitability, leverage, company size influence or not on firm value with CSR as a moderating variable. Sampling method with purposive sampling method. The data analysis method used is multiple linear regression analysis and moderating regression analysis (MRA). The results of this study indicate that partially profitability and firm size have a positive and significant effect on firm value while leverage has no positive and insignificant effect on firm value. And CSR as a moderating variable cannot moderate the relationship between profitability, leverage and firm size on firm value.

**Keywords:** Profitability, Leverage, Company Size, Corporate Social Responsibility and Company Value

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## INTRODUCTION

Global competition is getting tougher. This allows businesses to improve their day-to-day operations. Increasing competitiveness is done so that companies have a good day and so that investors want to put their money into the business. The form of real performance from the point of view and perception of investors is the value of the company. One of the promising investment vehicles is real estate. This business can provide a high level of profit and can be run in the future. This is due to the declining value of land and buildings, while demand continues to increase along with population growth. This shortage or scarcity is one of the many factors why land and real estate prices go up every year. The mature value of the Company can be the appeal that the owner has been waiting for. Because the value of financial assets is increasing so is the value of the business. During PBV research, variables function as dependencies Profitability, leverage and company size are factors that influence stock prices on the stock exchange. Businesses looking to achieve optimal enterprise levels can do so and adjust for several factors.

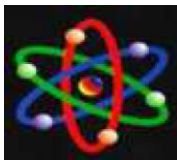
Issuer Code	Year	Net profit	Capital	Total Assets	Stock price
DMA S	2016	757,548,336,781	7,388,384,883,957	7,803,851,935,273	230,000
	2017	657,119,635,819	7,005,837,802,975	7,470,941,557,319	171,000
	2018	496,364,970,438	7,188,503,626,528	7,500,033,435,372	159,000
	2019	1,335,420,919,293	6,495,739,786,307	7,616,971,029,620	296,000
	2020	1,348,570,538,465	5,528,057,150,794	6,752,233,240,104	246,000
	2020	1,017,849,186,000	3,578,037,749,000	8,484,436,652,000	875,000
	2016				0,000

	2017	1,117,126,108,000	3,496,187,155,000	9,472,682,688,000	900,000
	2018	1,049,745,761,000	3,847,899,580,000	10,541,248,267,000	740,000
	2019	1,037,201,837,000	3,762,437,184,000	11,164,935,100,000	600,000
	2020	1,013,418,153,000	3,606,436,882,000	11,481,521,265,000	600,000
	2016	2,037,537,680,130	24,352,907,009,392	38,292,205,983,731	1,755,000,000
	2017	5,166,720,070,985	29,196,851,089,224	45,951,188,475,157	1,700,000,000
BSD E	2018	1,701,817,694,927	30,286,897,950,250	52,101,492,204,552	1,255,000,000
	2019	3,130,076,103,452	33,547,505,881,845	54,444,849,052,447	1,255,000,000
	2020	486,257,814,158	34,471,102,475,824	60,862,926,586,750	1,225,000,000

Table 1. Phenomenon Research

Based on the table above, it shows that the net profit of PT Puradelta Lestari in 2019-2020 has increased by 0.99% but this was not followed by the share price which has decreased by 16.89%. From the table above it shows that the capital of PT Jaya Real Property in 2017-2018 has increased by 10.06% but not followed by the share price which has decreased by 17.78%. The table above shows that the total assets of PT Bumi Serpong Damai in 2017-2018 increased by 13.38% but this was not followed by the share price which decreased by 26.18%. This is clearly a problem for property and real estate businesses. As mentioned earlier, company performance is often measured by company value as an indicator of PBV. If the PBV fails, it indicates that the company's goals are not being achieved and the company's operations are failing. Because investors want a business with good and safe business practices. Perhaps such a problem will negatively affect investors.





## RESEARCH METHODS

The type of research used is quantitative research with a focus on causality. The type of data used in this study is secondary data, namely data that has been collected or disseminated by researchers or other parties. The data used in this research comes from [www.idx.co.id](http://www.idx.co.id) which is the company's annual report on the Indonesia Stock Exchange (IDX). The population of this study are 65 property and real estate companies listed on the Indonesia Stock Exchange (IDX) in the 2016-2020 period. The sampling method used *purposive sampling technique*.

Population No	Criteria	65 Companies
1	Companies that are not listed on the Indonesia Stock Exchange in 2016-2020	(19)
2	Companies that lose consecutively during 2016-2020	(32)
3	Companies that do not report consecutively during 2016-2020	0
<b>Research Sample</b>		<b>14</b>
<b>Number of Observations (N) =</b>		<b>70</b>
<b>14 x 5</b>		

Table 2. Sample Selection Results

## RESULTS AND DISCUSSION

### Descriptive Statistics Results

	N	Minimum	Maximum	Means	std. Deviation
Profitability	70	,0037	3.2201	,113561	,3838828
leverage	70	,0124	3.0907	,714764	,5670850
Company Size	70	28.3738	31.7396	30.060528	,8388784
CSR	70	,1758	,3077	,248034	,0296027
The value of the company	70	,1465	2.5790	1.044729	,5771141
Valid N (listwise)	70				

Source: SPSS output version.26,2023

Tabke 3. Descriptive Statistics Results

Based on the table above shows the results of the descriptive statistical data, the explanation of the research variables used is as follows:

1. The Profitability variable has a sample of 70, with a minimum value of 0.0037% for the Jababeka Industrial Estate Tbk company, a maximum value of 3.2201% for the Pukuwon Jati Tbk company, an average value (mean) of 0.11356% for the Metropolitan Land Tbk company and standard deviation of 0.3838828%.
2. The Leverage variable has a sample of 70, with a minimum value of 0.0124% for the Roda Vivatex Tbk company, a maximum value of 3.0907% for the PP Property Tbk company, an average value (mean) of 0.714764% for the Bumi Serpong Damai Tbk company and standard deviation of 0.5670850%.
3. Variable Company Size has a sample of 70, with a minimum value of 28.3738% for Roda Vivatex Tbk company, a maximum value of 31.7396% for the Bumi Serpong Damai Tbk company, an average value (mean) of 30.060528% for the Jababeka Industrial Estate company Tbk, and a standard deviation of 0.8388784%.
4. The CSR variable has a sample of 70, with a minimum value of 0.1758% for the company Pukuwon Jati Tbk, a maximum value of 0.3077% for the company Roda Vivatex Tbk, an average value (mean) of 0.248034% for the company Metropolitan Kentjana





Tbk and standard deviation 0.0296027%.

- The company value variable has a sample of 70, with a minimum value of 0.1465% for the Suryamas Duta Makmur company, a maximum value of 2.5790% for the Pukuwon Jati Tbk company, an average value (mean) of 1.044729% for the Jaya Real Property company and standard deviation of 0.5771141%.

### Classical Assumption Test Results Normality test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residuals
N		70
Normal Parameters a,b	Means	,0000000
	std. Deviation	,49222417
Most Extreme Differences	absolute	,066
	Positive	,051
	Negative	-,066
Test Statistics		,066
	asympt. Sig. (2-tailed)	,200c,d

Source: SPSS output version.26,2023

Table 4. Normality test

Based on the table above, the Asymp.Sig.(2-tailed) value is  $0.200 > 0.05$ . The data from this study are normally distributed.

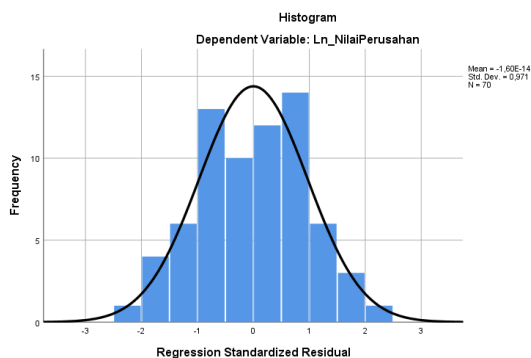


Figure 1. Histogram Graph

The figure above shows the distribution of data following a bell-shaped curve. It means that there is no problem in this research.

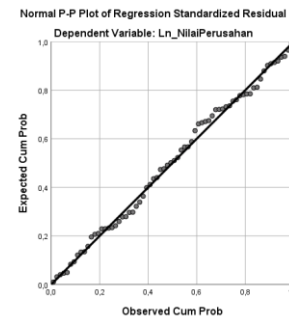


Figure 2. Normal Probability Plots

The figure above shows that when the data follows along the diagonal line, it is assumed to have a normal distribution.

### Multicollinearity Test

Model	Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics
	B	Error std.	Betas	tolerance VIF	
1(Constant)	-25,698	9,678			
Ln_Profitability	,285	,056	,528	,847	1,181
Ln_Leverage	,081	,082	,126	,553	1,809
Ln_Company Size	7,743	2,794	,341	,611	1,638
Ln_CSR	-,114	,506	-,022	,962	1,039

a. Dependent Variable: Ln\_Company Value

Source: SPSS output version.26,2023

Table 5. Multicollinearity Test

Based on the multicollinearity test analysis above, the Ln\_Profitability tolerance value is  $0.847 > 0.1$  and the VIF value is  $1.181 < 10$ . The Ln\_Leverage tolerance value is  $0.553 > 0.1$  and the VIF value is  $1.809 < 10$ . The Ln\_Company Size tolerance value is  $0.611 > 0.1$  and the VIF value is  $1.638 < 10$ . The Ln\_CSR tolerance value is  $0.962 > 0.1$  and the VIF value is  $1.039 < 10$ . It can be concluded that there are no symptoms of multicollinearity from the four variables.





### Autocorrelation Test

Summary Model <sup>b</sup>					
Model	R	Adjusted R Square	std. Error of the Estimate	Durbin-Watson	
1	,765 <sup>a</sup>	,586	,42648	1,750	

a. Predictors: (Constant), LAG\_Ln\_Company Value, Ln\_CSR, Ln\_Leverage, Ln\_Profitability, Ln\_Company Size  
 b. Dependent Variable: Ln\_Company Value

Source: SPSS output version.26,2023

Table 7. Autocorrelation Test

Based on the above test results, the Durbin-Watson value is 1.750. In the table DW  $K = 4$  and  $n = 70$ , the numbers  $dl = 1.4943$  and  $du = 1.7351$ ;  $4-du = 2.2649$ . With the provisions of Durbin Watson, namely  $du < dw < 4-du = 1.7351 < 1.750 < 2.2649$ . Thus these results state that there is no autocorrelation in this study

### Heteroscedasticity Test

In this study, heteroscedasticity testing was carried out using *the Glejser test and Graph Scatterplot*.

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Error Std.			
1 (Constant)	8,893	5,402		1,646	,105
Ln_Profitability	-.020	,031	-.085	-.647	,520
Ln_Leverage	,017	,046	,059	,366	,716
Ln_Company Size	2,554	1,559	-.252	1,638	,106
Ln_CSR	-.106	,282	-.046	-.374	,710

a. Dependent Variable: ABS\_RES

Source: SPSS output version.26,2023

Table 8. Heteroscedasticity Test  
 Glejser test

Based on the test results above, it is known that the sig Ln\_Profitability value is  $0.520 > 0.05$ . Ln\_Leverage sig value  $0.716 > 0.05$ . sig value Ln\_Company Size  $0.106 >$

$0.05$ . Ln\_CSR sig value  $0.710 > 0.05$ . So it can be concluded that there is no heteroscedasticity because the sig value  $> 0.05$ .

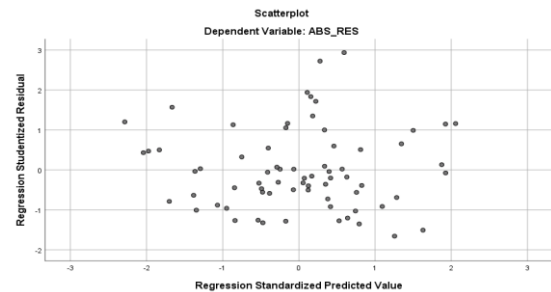


Figure 3. Scatterplot Graph

The picture above shows that the plot is stable and does not show heteroscedasticity.

### Test Models

In this study, test the regression model using linear regression analysis.

Model	Coefficients <sup>a</sup>		Standardized Coefficients	Q	Sig.
	Unstandardized Coefficients	Error Std.			
1 (Constant)	25,305	9,453		2,677	,009
Ln_Profitability	,287	,055	,533	5,225	,000
Ln_Leverage	,082	,081	,129	1,013	,315
Ln_Company Size	7,677	2,759	,338	2,783	,007

a. Dependent Variable: Ln\_Company Value

Source: SPSS output version.26,2023

Table 9. Multiple Linear Regression Analysis Test Results

Based on the above results, the regression equation model is obtained as follows:

$$\text{Firm Value} = -25.305 + 0.287 \text{ Profitability} + 0.082 \text{ Leverage} + 7.677 \text{ Company Size}$$







The interpretation is:

1. The constant value is -25.305, which means that if the independent variables (Profitability, Leverage, Company Size) are constant or have a value of 0, then the dependent variable Firm Value will be -25.305%.
2. The regression coefficient of Profitability is 0.287 meaning that every increase of one unit of the Profitability variable will also increase Firm Value by 0.287%.
3. The regression coefficient of Leverage is 0.082 meaning that every increase of one unit of Leverage variable will also increase Firm Value by 0.082%.
4. The regression coefficient of company size is 7.677, meaning that every one unit increase in the company size variable will also increase firm value by 7.677%.

**T test**

Model	Coefficients <sup>a</sup>				Sig.
	Unstandardized Coefficients	Standardized Coefficients	Betas	t	
1 (Constant)	-25,305			-2,677	,009
Ln_Profitability	,287	,055	,533	5,225	,000
Ln_Leverage	,082	,081	,129	1,013	,315
Ln_Company Size	7,677	2,759	,338	2,783	,003

a. Dependent Variable: Ln\_Company Value

Source: SPSS output version.26,2023

Table 10. T test results

Based on the table above, it can be seen that:

1. Profitability  $t_{count} (5.225) > t_{table} (1.9965)$  with a significant  $(0.000) < (0.05)$ . It can be concluded that profitability partially has a significant positive effect on firm value.
2. Leverage  $t_{calculate} (1.013) < t_{table} (1.9965)$  with a significant  $(0.315) > (0.05)$ . It can be concluded that partially Leverage has no positive and insignificant effect on Firm Value.
3. Company size  $t_{count} (2.783) > t_{table} (1.9965)$  with a significant  $(0.007) < (0.05)$ . It can be concluded that company size partially has a significant positive effect on firm value.

**Moderated Regression Analysis (MRA)**

Model	Coefficients <sup>a</sup>		Betas	t	Sig.
	Unstandardized Coefficients	Standardized Coefficients			
1 (Constant)	-9,826			-2,583	,012
Ln_Profitability	,360	,837	,667	,430	,669
Ln_Leverage	,232	,885	,363	,262	,794
Ln_Company Size	7,753	2,996	,341	2,588	,012
Ln_Profitability*Ln_CSR	,055	,616	,136	,089	,930
Ln_Leverage*Ln_CSR	,107	,621	,238	,172	,864
Ln_Company Size*Ln_CSR	,040	,653	,026	,061	,952

a. Dependent Variable: Ln\_Company Value

Source: SPSS output version.26,2023

Table 11. Moderate CSR Significance Test

Based on the above results, the regression equation model is obtained as follows:





$$\begin{aligned} \text{Firm Value} &= -25.386 + 0.360 \\ &\text{Ln\_Profitability} + 0.232 \text{ Ln\_Leverage} + \\ &7.753 \text{ Ln\_Company Size} + 0.55 \\ &\text{Ln\_Profitabilitas*Ln\_CSR} + 0.107 \\ &\text{Ln\_Leverage*Ln\_CSR} + 0.040 \\ &\text{Ln\_Company Size*Ln\_CSR} \end{aligned}$$

The interpretation is:

1. The sig value of Ln\_Profitabilitas\*Ln\_CSR is 0.930 > 0.05, it can be concluded that CSR is not significant in moderating the effect of profitability on firm value
2. The sig value of Ln\_Leverage\*Ln\_CSR is 0.864 > 0.05, it can be concluded that CSR is not significant in moderating the effect of leverage on firm value
3. The sig value Ln\_Company Size\*Ln\_CSR is 0.952 > 0.05, it can be concluded that CSR is not significant in moderating the effect of Company Size on Firm Value

## CONCLUSION

Based on the research findings entitled Effects of Profitability, Leverage, Company Size on Company Value with Corporate Social Responsibility as a Moderating Variable in Property and Real Estate Companies Listed on the Indonesia Stock Exchange for the 2016-2020 Period, the following conclusions can be drawn:

1. Property and Real Estate company profitability listed on the IDX in 2016-2020 have a significant positive effect on Company Value.
2. Property and Real Estate company leverage listed on the IDX in 2016-2020 have no effect and are not significant on Company Value.

3. Company Size Property and Real Estate companies listed on the IDX in 2016-2020 has a significant effect on Company Value.
4. Profitability, Leverage, Company Size Property and Real Estate companies listed on the IDX in 2016-2020 have a significant simultaneous effect on Company Value.
5. The CSR of Property and Real Estate companies listed on the IDX in 2016-2020 is not significant in moderating the influence of Profitability on Company Value.
6. The CSR of Property and Real Estate companies listed on the IDX in 2016-2020 is not significant in moderating the influence of Leverage on Company Value.
7. The CSR of Property and Real Estate companies listed on the IDX in 2016-2020 is not significant in moderating the effect of Company Size on Firm Value.

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